



SEAPORT

NORTH CENTRAL IDAHO: CLEARWATER, IDAHO, LATAH, LEWIS, & NEZ PERCE COUNTIES

EMPLOYMENT TRENDS

Seaport's seasonally adjusted unemployment rate increased in September to 5.0 percent from August's rate of 4.8 percent, as shown in Seaport Table 1. In September 2002, the rate was 4.9 percent. Month-over-month, total employment increased slightly, even though the unemployment rate increased, because unemployment increased at a faster rate. The slight increase was unusual as employment usually decreases in September because of a break between hiring seasons for recreation/agriculture and the winter hiring season for the holidays. In September, *Seaport's Nonfarm Payroll Jobs* increased by 180 from August 2003, but decreased 960 from September 2002. September's increase month-over-month was due to normal seasonal fluctuation in *Government Education*. *Education* increases in September because of the return of school staffs to classrooms after the summer break.

SPECIAL TOPIC:

Unemployment Insurance

Stabilizing the Economy: Besides helping unemployed individuals and families transition from one job to another, unemployment insurance (UI) acts as an automatic economic stabilizer. In a recession, UI benefits offset some of the effects of job losses on a community's spending power. UI benefits assist individuals and their families in continuing to meet their needs and pay their bills. As a result, UI benefits also help maintain the spending power of the landlords, stores, banks, and other busi-

Seaport Table 1: Labor Force & Employment
Nez Perce County, Idaho and Asotin County, Washington

	Sept 2003*	Aug 2003	Sept 2002	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
Seasonally Adjusted					
Civilian Labor Force	35,810	35,700	34,580	0.3	3.6
Unemployment	1,780	1,720	1,710	3.5	4.1
% of Labor Force Unemployed	5.0	4.8	4.9		
Total Employment	34,030	33,980	32,870	0.1	3.5
Unadjusted					
Civilian Labor Force	35,230	35,390	34,110	-0.5	3.3
Unemployment	1,350	1,450	1,310	-6.9	3.1
% of Labor Force Unemployed	3.8	4.1	3.8		
Total Employment	33,880	33,940	32,800	-0.2	3.3
JOBS BY PLACE OF WORK					
Nonfarm Payroll Jobs** - NAICS	26,300	26,120	27,260	0.7	-3.5
Goods-Producing Industries	4,410	4,370	4,760	0.9	-7.4
Natural Resources & Mining	180	200	230	-10.0	-21.7
Construction	1,020	1,000	1,200	2.0	-15.0
Manufacturing	3,210	3,170	3,330	1.3	-3.6
Wood Product Manufacturing	550	550	610	0.0	-9.8
Food Manufacturing	110	90	110	22.2	0.0
Paper Manufacturing	1,220	1,220	1,260	0.0	-3.2
Other Manufacturing	1,330	1,310	1,350	1.5	-1.5
Service-Providing Industries	21,890	21,750	22,500	0.6	-2.7
Trade, Transportation & Utilities	5,570	5,610	5,480	-0.7	1.6
Wholesale Trade	630	650	650	-3.1	-3.1
Retail Trade	3,630	3,660	3,530	-0.8	2.8
Utilities	90	90	90	0.0	0.0
Transportation & Warehousing	1,220	1,210	1,210	0.8	0.8
Information	360	370	360	-2.7	0.0
Financial Activities	1,690	1,610	1,810	5.0	-6.6
Professional & Business Services	1,370	1,380	1,590	-0.7	-13.8
Education & Health Services	3,780	3,770	3,740	0.3	1.1
Leisure & Hospitality	2,610	2,600	2,730	0.4	-4.4
Other Services	1,090	1,160	1,140	-6.0	-4.4
Government Education	1,970	1,820	2,060	8.2	-4.4
Government Administration	2,580	2,560	2,690	0.8	-4.1
Government Tribes	870	870	900	0.0	-3.3

*Preliminary Estimate

**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

Seaport Table 2: Amount of Unemployment Insurance Payments in North Central Idaho

COUNTY	Number of Weeks Paid			Dollar Amount Paid		
	State Fiscal Year		#	State Fiscal Year		#
	2003	2002	Change	2003	2002	Change
Clearwater	9,758	11,606	-1,848	\$2,301,314	\$2,749,029	-\$447,715
Idaho	13,757	12,074	1,683	\$3,068,135	\$2,675,680	\$392,455
Latah	12,578	10,595	1,983	\$2,978,774	\$2,477,910	\$500,864
Lewis	1,033	2,075	-1,042	\$210,411	\$443,709	-\$233,298
Nez Perce	19,087	19,340	-253	\$4,105,997	\$4,220,433	-\$114,436
Total North Central Idaho	56,213	55,690	523	12,664,631	12,566,761	\$97,870

nesses that provide products and services to those individuals and families. UI benefits soften the blow to family finances that losing a job entails and reduces the effect that job losses can have on the economy of a community.

Retaining a Local Workforce: UI promotes stability by making it possible for employers to retain workers during the off-season or a short downturn. Many seasonal industries would find it much more difficult to attract and retain employees if their workers could not rely on UI benefits to help support them through the off-season.

In North Central Idaho, \$12,664,631 was paid out in UI benefits for the fiscal year ending June 2003, up \$97,870 from 2002. For a breakdown of dollars paid and numbers of weeks paid in the region, see Seaport Table 2 on page 9.

SPECIAL TOPIC: Washington State Minimum Wage

The Washington State minimum wage will increase 15 cents—to \$7.16 an hour—on January 1, 2004. Washington's minimum wage is recalculated each year in September because of a 1998 voter-approved initiative that mandates an annual cost-of-living adjustment. The adjustment is made based on changes in the U.S. Consumer Price Index for urban wage earners and clerical workers. For the 12 months ending August 2003, the index increased 2.1 percent over August 2002. That prompted a 2.6 percent increase in the current \$7.01 per hour minimum wage. Washington State now has the highest minimum wage in the country. The minimum wage in Washington State applies to workers in both agricultural and nonagricultural jobs. Workers younger than 16 years of age may be paid 85 percent of the adult minimum wage. North Central Idaho employers, especially those in Lewiston and Moscow, keep a close eye on the minimum wage in the state of Washington. Increases in the minimum wage in Washington usually signal a need to increase entry level wages in North Central Idaho border communities because employers compete for the same labor pool. The Idaho and federal minimum wage is \$5.15 an hour. There are no January 1, 2004, increases planned for either Idaho or the United States.

AREA DEVELOPMENTS

Clearwater County

- The City of Orofino and Clearwater County officially opened the Orofino Business Center in October. The construction cost of the new building was \$2,647,000. One funding source for the project included \$1.5 million from the U.S. Economic Development Administration, but the dollars were not guaranteed until Orofino was awarded a \$55,000

Rural Community Development Block Grant through the help of Idaho Governor Dirk Kempthorne. Overall funding included \$1.5 million from the state of Idaho, \$468,000 from the City of Orofino, and \$179,500 from ASE, Inc. who will be the anchor tenant. "We are proud that ASE is in Orofino and of the employment base they have established," Kempthorne said at the dedication ceremony. "As you continue to grow and prosper, may this always be your base." Seismic Tech will be the other business in the new business center.

Idaho and Lewis Counties

- Economic development efforts in Riggins received a boost in October with the announcement that the community had been awarded a \$47,000 Rural Business Opportunity Grant. The funds will be used for economic diversification and small business expansion projects. The projects must assist or add value to existing businesses or create new business opportunities. These grants are part of the Bush Administration's overall efforts to help spur economic growth opportunities and improve the quality of life for rural Americans.
- Joint School District (JSD) 241 (Grangeville, Riggins, and Elk City) received a federal collaborative Teaching American History grant of \$889,649. The grant is one of only 114 Teaching American History grants awarded in 38 different states. The purpose of the grant is to promote the teaching of traditional American history in elementary and secondary schools as a separate academic subject. Collaborating agencies that will help with instructor education include the Lewis County Historical Society/Craigmont Chapter, Idaho County Historical Society, Bicentennial Historical Museum, Grangeville Centennial Library, Historical Museum at St. Gertrude, Lewis-Clark State College, and the University of Idaho. "We look forward to both an educational experience and a fun approach to enhancing the history experiences for our kids in the community," explained JSD 241 superintendent Wayne Davis. "We plan to focus on the history rich area we are blessed to live in."

Latah County

- The University of Idaho has re-started an extensive renovation project to the University Classroom Center (UCC) and will rename the building UI Teaching and Learning Center. Improvements will include a cyber cafe, a 32-station computer lab, a new heating and ventilation system, a new roof, and enclosed hallways. The university expected to renovate the building in the spring of 2002, but state budget cuts

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put the project on hold. Thirty percent of the university classroom space was lost when the UCC was closed, and an ever-growing student population forced officials to scramble for additional space. Students and faculty were relieved last year when lawmakers passed a bill that allowed Idaho's universities to fund construction projects through the Idaho State Building Authority, an agency that floats bonds for state building projects. The \$12.2 million renovation of the UCC is back on track. The classroom center project at the UI is expected to create 150 jobs and contribute more than \$23 million to the local economy.

Nez Perce and Asotin Counties

- Isothermal Systems Research Inc. (ISR) has landed another large contract from the U.S. military—this one for \$29 million—and there's strong potential for the company to land another like-sized contract in the near future. The Clarkston, Washington-based defense contractor, which opened a sizable office in Liberty Lake last year, signed the contract last month under which it will provide specialized electronics and subassemblies to the Naval Air Systems Command (NAVAIR). ISR already is working under a similar \$35 million contract awarded by NAVAIR in 2000. Under the new \$29 million contract, ISR will perform research and development of electronic components that are cooled using the company's patented SprayCool technology. The new contract likely will result in additional hiring both in Clarkston and at ISR's Liberty Lake facility. ISR said when

it opened in Liberty Lake last year that it eventually could employ several hundred people.

- The City of Lewiston and the economic development group, Valley Vision, have landed a grant to recruit air travel service to the east. Currently, airline passengers heading east first have to fly west, according to Bob Tippet, executive director of Valley Vision. Regular air service from the Lewiston-Nez Perce County Regional Airport connects to Seattle to the west or Boise to the south. "We want to make sure we have travel; (that) it's easy to get in and out for corporate customers," said Tippet. Bringing in clients or customers from destinations like Salt Lake City and Denver now requires complex routing, he said. The \$675,000 grant through the federal Department of Transportation will be matched by \$75,000 from the City of Lewiston and Valley Vision. The grant money will be used to conduct an analysis of possible service routes and to market the idea to airlines. The majority of the grant—\$600,000—would be used to guarantee the airline that it would not lose money providing the service. Lewiston was one of 35 cities nationwide and the only Idaho city to receive this type of grant money this year.

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dustry employed 729 people. After the Sunshine Mine closed in early 2002 and the Lucky Friday Mine laid off more than 150 workers, its employment fell to 320 where it has remained since. Although its population base, tourism industry, and employment at the massive auto dealership, Dave Smith Motors, have held steady over the last three years, the retail and service sectors have declined as a result of reduced incomes following the mine layoffs. This summer's closure of the Tele-Servicing Innovations (TSI) call center in Smelterville led to the loss of 80 jobs. So it's not surprising that Shoshone County's unemployment rate rose from 10.1 percent in September 2000 to 12.1 percent in September 2003.

- The Silver Valley Chamber of Commerce Visitor Center at 10 East Station Avenue has two new ten-

ants. The Depot Coffee Shop and Depot Antiques, selling locally made crafts as well as furniture and other antiques on consignment, recently moved into the former train depot in Kellogg. Both tenants expect to benefit from their location on Kellogg's greenbelt where many bicyclists and walkers pass along the former railroad tracks.

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